

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC)	
SERVICE COMMISSION OF THE)	
APPLICATION OF THE FUEL)	
ADJUSTMENT CLAUSE OF)	CASE NO. 98-565-C
LOUISVILLE GAS AND ELECTRIC)	
COMPANY FROM NOVEMBER 1, 1999)	
TO APRIL 30, 2000)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on June 21, 2000 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Louisville Gas and Electric Company ("LG&E") for the six months ended April 30, 2000.

As part of this review, LG&E, pursuant to Commission Order, submitted certain information concerning its compliance with Commission Regulation 807 KAR 5:056. A public hearing was held on September 7, 2000.

The Commission has previously established LG&E's base fuel cost of 11.19 mills per Kwh.¹ A review of LG&E's monthly fuel clause filings shows that the actual fuel cost incurred for the six-month period under review ranged from a low of 9.66 mills in January 2000 to a high of 10.49 mills in February 2000, with an average of 10.11 mills.

¹ Case No. 98-426, Application of Louisville Gas and Electric Company for Approval of an Alternative Method of Regulation of Its Rates and Services, Orders dated April 13, 1999 and January 7, 2000.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of LG&E's FAC charge or improper fuel procurement practices.

IT IS THEREFORE ORDERED that the charges and credits billed by LG&E through its FAC for the period November 1, 1999 to April 30, 2000 are approved.

Done at Frankfort, Kentucky, this 30th day of October, 2000.

By the Commission

ATTEST:

W. H. Fowler
Deputy Executive Director